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Operational activities of the United Nations for international development cooperation: progress report on the implementation of the triennial comprehensive policy review

United Nations system support for capacity-building

Report of the Secretary-General**

Summary

The present report has been prepared in response to paragraph 28 of General Assembly resolution 56/201, in which the Assembly called for a report on efforts undertaken by the United Nations system organizations in support of capacity-building to be submitted to the Economic and Social Council at its substantive session of 2002. The report complements the information contained in the report of the Secretary-General on operational activities of the United Nations for international development cooperation (E/2002/47 and Add.1 and 2).

It notes the evolution in the scope and importance of capacity-building, and urges Member States to recognize that capacity-building is a major component of the overall efforts to achieve the goals of poverty eradication, economic growth and sustainable development, and to devote more attention and resources to strengthening the national capacities necessary to make progress in achieving the millennium development goals. It calls on the United Nations system to develop appropriate benchmarks and indicators for and to promote greater lesson learning about capacity-building.

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I. Capacity-building and the United Nations system

1. The present report responds to paragraph 28 of General Assembly resolution 56/201 on the triennial comprehensive policy review of operational activities for development, in which the Assembly called for a report on efforts undertaken by the United Nations system organizations in support of capacity-building to be submitted to the Economic and Social Council at its substantive session of 2002. The report complements the information contained in the report of the Secretary-General on operational activities of the United Nations for international development cooperation (E/2002/47 and Add.1 and 2).

2. The present review of efforts in the area of capacity-building confirms the centrality of capacity-building and its sustainability as a key goal of technical assistance for the United Nations system. The report contains some policy recommendations that the Council may consider in providing guidance for further actions by Member States and the United Nations system in this area.

3. Capacity-building has been central to United Nations operational activities from their beginning. The concept has evolved over time and continues to do so. The changes have become more significant for the United Nations system because the adoption of the United Nations Millennium Declaration implies that all countries should have or acquire the capacity to achieve the development goals contained in it. The United Nations development system, with its wide range of expertise and practical experience, has the potential not only to suggest better ways of building the necessary capacity in recipient countries to pursue those goals but also to support the efforts of those countries to develop their own capacities more effectively.

II. An evolving factor of development

4. In order to consider the role that the United Nations development system could play in the area of capacity-building, it may help to recall how the issue has been treated in the past and some of the lessons of that experience. Capacity-building is a broad concept. It has recently been described in the United Nations system current practice as the provision of support aimed at enhancing countries' "ability to define and realize goals effectively".[1] This is a significant departure from how it was originally conceived.

5. At the inception of operational activities, capacity development was synonymous with human resource development. Training individuals and groups was and remains an important component of United Nations system operational activities. Initially, such efforts were mostly concerned with training those individuals needed to run the organizations and institutions of newly emerging States.

6. The role of human resource development will be discussed more in depth by the Economic and Social Council at the high-level segment of its substantive session of 2002. The segment will also look into its implications for the achievement of the millennium development goals. It will examine, in particular, the desirability of greater synergies between health and education programmes, noting that the current era of globalization is characterized by interdependence, economic liberalization and the emergence of a global knowledge-based economy that is increasingly driven by information and communication technologies (ICTs). Knowledge has emerged as an important strategic factor in today's level of competitiveness. To cope with that trend, broad-based access to continuous learning, upgrading skills and acquiring new skills is required in order for developing countries to have the capacity needed to take full advantage of the new opportunities generated by the changing economic and technological environment.

7. The renewed emphasis on national ownership of development confirms the need not only for human resources that have the capacity to design country-driven development strategies but also for comprehensive human resource policies that create the capacity to translate those strategies into practice in a participatory, country-owned process. Development cooperation frameworks and other coordination tools, such as the common country assessment, the United Nations Development Assistance Framework (UNDAF) and the poverty reduction strategy papers, or the New Partnership for African Development (NEPAD), can succeed only if they are nationally owned. Consequently, enhancing the quality of the human resources involved in their design and implementation is crucial.

8. The perception about the nature of the capacity-building process changed over the period 1980-1995. At the beginning of the 1980s, increasing attention was given to the organizational engineering dimensions of the development process: focusing on improving the structures and functioning of individual organizations was considered essential. "Institution-building" became the preferred term for that approach. The United Nations development system assisted numerous countries in creating and building or strengthening and upgrading the basic institutions and organizations required for running a modern and growing society, capable of providing its people with the necessary policies and services to improve their living conditions and prospects for the future. Many civil aviation, geological survey, meteorological, nutrition, soils and telecommunications organizations have been either established or strengthened with the support of the United Nations development system since the 1950s and 1960s. The focus on institution-building extended the notion of capacity beyond the skills of individuals (as implicit in the human resource development approach) to tackle the capacity of structures, institutions and organizations, which required other types of technical, administrative and managerial abilities.

9. Much of that support was successful. Many institutions were created or strengthened and some functioned well. Yet, those successes were not always durable. Capacity is a moving target, so capacity created at a point in time cannot be assumed to remain relevant unless institutions and capacities evolve and make progress. The reasons for the ills that afflict many organizations and institutions in recipient countries are complex and they change. So does any significant role of capacity-building, which is constantly evolving.[2] Modernizing societies are by definition in a process of continuous transformation, so that many of their institutions and organizations must change and do so continuously. The ability of those institutions and organizations to adapt and evolve along with societal changes[3] is a criterion for the success of capacity-building efforts.

10. The concept of capacity-building had therefore to expand beyond the notion of institution-building since it was necessary to see the institutional changes in a national context, at a macro level, which includes the capacity of the institutions of a country to manage policy and programme formulation, budgeting and financial management, development planning, implementation, coordination and performance monitoring and evaluation of development operations. Legal and political functioning of the country was relevant, including its state of governance. Individual institutions were not seen as independent and isolated actors any longer but part of larger systems or networks. Capacity-building needed to become a much broader concept. The more dynamic changes in the external environment in which institutions operate, the greater are the challenges that existing organizations and institutions face. The implications of such dynamics, both for private firms and public organizations, can be summed up in the maxim "The rate of learning within an organization needs to be equal to or greater than the rate of change in the environment".[4] Therefore, it is no longer enough for the United Nations system to provide support just to help create or strengthen an organization or groups of organizations. Those institutions need to be capable of learning and changing to transform themselves, as necessary, in response to changing situations and requirements.[5] Successful United Nations system support therefore means helping recipient countries to invent, develop and maintain institutions and organizations that are capable of learning and bringing about their own continuing transformation, so that they can better play a dynamic role to sustain national development processes.

11. A challenge for all capacity builders has always been to learn about learning. How do organizations, institutions and societies learn and transform themselves as a result of it? Are there ways of learning that are more or less effective? The new demands on modern States' institutions and organizations entail new expectations of the individuals working with and for them.[6] What demands does that place on the activities supported by the United Nations system?

III. Follow-up to General Assembly resolution 53/192: capacity-building as a key goal of technical cooperation

12. The General Assembly, in paragraph 37 of its resolution 53/192, reaffirmed that capacity-building and its sustainability should be explicitly articulated as a goal of technical assistance provided by the

operational activities of the United Nations system at the country level. The United Nations system, through the established process of inter-agency consultation, has taken some steps towards realizing that goal, including the preparation and issuance of a set of system-wide guiding principles, which the former Administrative Committee on Coordination (ACC) — the current United Nations System Chief Executives Board (CEB) — approved in March 2000.[7] Those principles laid out a series of action steps that United Nations system entities could take in support of enhancing the efficiency and effectiveness of their capacity-building activities.

13. The guiding principles identified in the guidance note[8] stressed the following: (a) national ownership is the single most important determinant of the effectiveness of capacity-building programmes; (b) capacity-building is no longer a component or a by-product of programmes or projects but a key and explicit goal of all United Nations system activities; (c) capacity-building should be pursued with holistic, comprehensive, participatory and flexible approaches, and its definition should be based on a broader and shared understanding; and (d) differing mandates within the system provide a variety of approaches to capacity-building.

14. A number of steps for mainstreaming capacity-building into the operations of the United Nations system were also identified in the guidance note: (a) development of a culture of organizational learning; (b) partnership and collaborative arrangements with partners and stakeholders to reach a critical mass of experience and resources for capacity-building; (c) better use of in-house expertise and experience; (d) use of system-wide modalities and instruments for country-level coordination as a means to support capacity-building; (e) use of decentralized participatory techniques for capacity assessment, monitoring and evaluation for more systematic learning about capacity-building impact and to enhance effective capacity-building.

15. The guidance note also suggested measures for integrating capacity-building objectives into operational activities, including joint and system-wide training programmes on capacity-building; continued implementation of the programme approach and national execution modalities; system-wide sharing of experience in monitoring progress in capacity-building; development and sharing of new capacity assessment tools; creation of databases on good practices in capacity-building methodologies and initiatives; and more systematic system-wide information-sharing.

16. The responses received in 2002 to enquiries about current practices within the United Nations system show that the importance of capacity-building in United Nations operational activities is generally acknowledged. Capacity-building is taken by all United Nations organizations as an important focus in orienting their programme strategies and implementing their programmes of work, although the interpretation and the operational approach varies. Awareness of the concept and its implications for development cooperation has increased. The programme objectives of most United Nations entities include a capacity-building perspective, and many technical cooperation programmes/activities have spillover benefits in terms of contributing to the capacity development of targeted recipients.

17. Nevertheless, the recent review of current practices and the system evaluations carried out as an input to the triennial review, suggest that a coherent multilateral "doctrine" or interpretation of what needs to be understood by the term "capacity-building" in an era of rapid change has yet to be developed. The United Nations system ought to be able to offer improved support to the development of national capacity by addressing several basic issues. How can those capacities be built, in what time frame and in what sequence? Is it possible to pursue all of them simultaneously? How can the United Nations system be most effective in this area? In order to provide adequate answers, the system should intensify its efforts to collectively reflect on and analyse its knowledge of and experience with capacity-building.

18. The review of efforts by system organizations in the area of capacity-building shows that training stands out as one of the main tools, although there is ample room for strengthening other means to stimulate capacity-building. Organizational relevance and effectiveness, to a large extent, are correlated with the quality of training products and their effective dissemination and delivery. Currently, there is a system-wide trend towards a constant improvement of training models and products, including through information technology, which benefit a widening range of stakeholders.

19. Significant efforts have been made to change support for capacity-building from a project-by-project approach to programmes, utilizing comprehensive, multidisciplinary and/or sectoral approaches. The United Nations Industrial Development Organization (UNIDO), for example, consolidated its 16 service modules to support capacity-building into three "baskets" of programmes, according to how each service contributed to the three parallel goals of sustainable industrial development: competitive economy, productive employment and sound environment. The World Bank made use of the poverty reduction strategy papers roll-out exercise as an opportunity to integrate and consolidate its support to national partners to develop capacities. Almost all of the United Nations system organizations have produced remarkable results in that respect.

20. Several agencies have conducted internal assessments and evaluations of their training programmes and the extent to which they have assimilated lessons learned in the organization in order to meet the changing demand for their services more responsively. However, it should be noted that exchange of experience and sharing of best practices across agencies in this area are still limited. Participatory evaluation as a learning process has not been explored.[9] In general, there is a need for furthering the understanding of the concept of capacity-building system-wide.

21. The review suggests that the United Nations funding organizations do take a comprehensive approach to capacity-building. UNICEF, in particular, indicates that its support for building national capacity in recent years has involved two significant improvements, one in the definition of capacity-building itself and another in the shift from project-level initiatives to a broader approach, involving capacity-building for the assessment and analysis of the situation of children and for programmatic actions to improve that situation. For the United Nations Population Fund (UNFPA), capacity-building has been taken into consideration starting from the conceptualization of its overall strategy. As a result, the traditional approach of providing technical support and delivering medical products and services has been enhanced by including in the overall programme plenty of initiatives addressing gender equality and gender empowerment. The initiatives of the International Labour Organization (ILO) to address child labour have emphasized not only local capacity and institutions engaging in effective actions against child labour but also mainstreaming child labour concerns into the national policy dialogue on poverty eradication and building a better knowledge base on child labour in society. UNDP has continued to be active in exploring capacity issues, and a recent publication on capacity reaffirmed the importance of capacity issues. It urged the creation of a new paradigm to try out new methods, such as networks that make the best use of new types of learning, and to try out innovations that address asymmetry in donor-recipient relationships, such as pooling technical cooperation funds and developing forums for discussion among Southern nations.[10]

22. Overall, the United Nations system is making progress in making capacity-building an essential part of all relevant programmes. United Nations system organizations recognize, however, that the increasing emphasis given to globally agreed goals and their related capacity-building implications add to the challenges that face the system. Further work in this area is needed system wide. In the view of some respondents, capacity-building is still seen prevailingly as a UNDP responsibility and not the task that is incumbent upon the whole of the United Nations development system.[11]

23. The annex to the present report provides multiple examples of the support for and commitment of individual organizations and bodies of the United Nations system to capacity-building. Several entities demonstrated that they have conducted a thorough revision of how to mainstream capacity-building in some operations, making concrete steps to translate their reflections into their own practical experience and using the results to improve their support to national efforts. That achievement, however, still relates to individual agencies. The notion of a coherent system-wide approach to capacity-building will require continuing work before the concept becomes central to United Nations system operational activities.

IV. Capacity development in a globalizing world

24. The present review of progress by the United Nations system in addressing current issues of capacity-building should be seen in the context of the rapidly evolving environment in which it is taking

place. There are broad demands for capacity-building that emerge from globalization. In addition, an articulated set of globally agreed development agenda is emerging, identifying goals, along with a set of proposed targets and indicators, which are the product of the global conference processes and, most recently, the Millennium Summit of the General Assembly. By agreeing to them, Member States have implicitly agreed that all countries need to have the capacity to achieve those goals. Therefore, for those countries that do not yet have those capacities or do not have them developed at the required level, they need to make additional efforts to build capacity in order to respond partially or wholly to that overall set of development priorities.

25. Although developing countries have the primary responsibility for their own development processes, the Millennium Declaration recognizes the collective responsibility of the Member States within the United Nations to uphold the principles of human dignity, equality and equity at the global level (see General Assembly resolutions 56/201, twelfth preambular paragraph and paras. 3 and 4, and 55/162, para. 2). At the same time, the General Assembly called upon the entire United Nations system to play an important role in supporting Member States in the implementation of the Millennium Declaration (see General Assembly resolution 55/162, paras. 3, 6 and 10). Therefore, the international consensus that underlies the acceptance of the goals agreed in the Millennium Summit places a particular obligation on the whole United Nations development system to support the efforts of Member States that desire to acquire or strengthen the capacities which they consider necessary in order to pursue the goals that they collectively identified. Such capacity-building support may take many forms. It could be support to defining what the implications of global agreements mean in operational terms for national capacity. It could mean support to advocacy efforts by agencies or groups within the society to assist in achieving specific millennium development goals.[12] It could mean providing a forum in which different components or groups within a society or region may discuss how best to share or implement tasks. It could mean providing operational support to national efforts to design appropriate policies or to formulate and implement national or regional programmes or projects.

26. Given the experience and knowledge acquired by the United Nations system in the area of capacity-building over the last 50 years, there is considerable scope for the system to draw on that experience and knowledge to help define and/or update the benchmarks and indicators that recipient countries would like to use to design and manage, in the best way, their programmes for building or strengthening their capacity to achieve internationally agreed goals. Collecting and synthesizing the lessons learned from that type of support would facilitate standardized approaches, which are based on worldwide experience and would form the basis for an important contribution to a coherent system-wide approach to capacity-building.

V. Significance of national ownership

27. A necessary but not sufficient indicator of success in capacity-building is national ownership. Ownership has always been a guiding principle of the United Nations development cooperation, and has been given renewed attention in recent years. It is clear both from successful and less successful examples, that national ownership is a determining factor in the effectiveness of external support and its durability. National ownership of both the development process and the initiatives supported through external assistance requires that priorities pursued in development cooperation efforts, whether related to the internationally agreed objectives or not, are the outcome of a genuine national policy-making process, which may include both governmental and non-governmental components of national society. Capacity-building required to pursue those objectives is linked to national ownership, because only if there is adequate domestic capacity can those development objectives be achieved and remain sustainable.[13] If domestic capacity is not adequate, national ownership is just not possible or is only apparent. Development processes cannot be owned if there are not enough capacities at the national level to conceive, design, formulate, implement, monitor and evaluate development policies and the corresponding operational activities (programmes and projects).

VI. Appropriate expectations

28. Involving the United Nations system more thoroughly in the task of developing a system-wide approach to capacity-building has wider implications for operational activities for development, given the concerns for accountability, transparency in the use of resources for development and aid effectiveness.

29. The question is: to what extent are efforts for capacity-building of United Nations system organizations effective? Sometimes, the performances of the aid programmes of bilateral donors or international NGOs are used as comparators, which is not necessarily the most appropriate approach.

30. The impact evaluations conducted by the Secretariat between 1995 and 2001 offer support to the view that much of what the United Nations development system does as operational activities for development goes beyond what is normally described as "aid". Therefore, the effectiveness of its activities in terms of capacity-building cannot be assessed as if they were bilateral aid initiatives.

31. The United Nations system has a portfolio of responsibilities and operates at a variety of levels that are particular to it. It acts as a convener, providing a forum — nationally, regionally and globally — for different parties to meet and explore issues of common concern. It helps Member States to set generally agreed norms on major development themes, e.g., via the global conference processes, and then helps countries to implement their commitments to those agreed norms. Implementing those norms implies the existence of national capacities. When those capacities are not available or are not adequate, it is the responsibility of the United Nations system to assist recipient countries either in developing or enhancing them. The United Nations system has also a specific advocacy role to support the pursuit of globally agreed goals. At the same time, like other development cooperation partners, the United Nations system is present in different countries and regions through a great variety of development initiatives, depending on the specific mandates and competences of each organization, which identify additional demands for capacity development.

32. That combination and multiplicity of roles is unique to the United Nations system. Therefore, the assessment of the effectiveness of the operational activities for development of the United Nations system in terms of capacity-building impact is also unique. Broadly accepted standards applied to bilateral cooperation activities in terms of capacity-building impact do not necessarily apply to the effectiveness of the United Nations development system. This is not an argument that the United Nations system should not be subject to scrutiny and evaluation, or that the system should be judged any less rigorously than any other actor on the international scene. But the fact is that the system's work is particular to its multiple role and the impact of its operational activities on national capacity development should be monitored and evaluated "sui generis", using appropriate indicators and measures.

33. Better measures of accountability are needed in this area, and the United Nations system and its organizations should be more specific when it comes to expectations about the outcomes of operational activities in terms of capacity-building. This is not a simple one-shot task but rather an ongoing process that will take some time to set in motion. The evolution in the use of the common country assessment and UNDAF processes and the country-level implementation of the millennium development goals offer new opportunities to make progress in that direction, introducing or experimenting with new ways to articulate capacity-building as a goal of technical cooperation in a more specific, comprehensive and multifaceted way, including through the use of a series of different indicators and benchmarks.

VII. Recommendations

Recommendation 1

34. **The Council may wish to call upon the entire United Nations system, in collaboration with recipient countries and all relevant cooperating partners, to take decisive steps to expand their support for national capacities in those countries or in sectors of their national societies, where those capacities are neither available nor adequate.**

Recommendation 2

35. **The Council may wish to recognize that capacity-building is a major component of the overall efforts to achieve the goals of poverty eradication, economic growth and sustainable development as indicated in the Millennium**

Declaration, and may wish to urge a0ll Member States to devote more attention and resources to creating, maintaining and strengthening the national capacities necessary to provide their citizens with greater welfare and make progress in achieving the millennium development goals, while also urging Member States to pay attention to the capacity-building requirements inherent in reducing the global digital divide.

Recommendation 3

36. **The Council may wish to request the United Nations system to work collegially, under the aegis of CEB, to formulate proposals on benchmarks and indicators for capacity-building linked to the achievement of the millennium development goals, and to report to the Council through the Secretary-General by the year 2004 on the results achieved, in the context of the preparation of the triennial comprehensive policy review of operational activities for development.**

Recommendation 4

37. **To that end, the Council may wish to encourage United Nations system organizations, in collaboration with recipient countries and other cooperating partners, including other multilateral and bilateral development cooperation institutions, non-governmental institutions and other relevant entities, to conduct a more systematic sharing of case studies, technical reviews and evaluations of experience in capacity-building, including frameworks and methodologies, promoting the wider and more effective use by the United Nations system of shared conceptual frameworks, in order to enable the analysis of capacity gaps and planning of support for capacity-building activities.**

Recommendation 5

38. **The Council may wish to request all funds, programmes and specialized and technical agencies of the United Nations system to put a stronger focus on explicit capacity-building strategies in their own evaluation mechanisms, establishing monitoring and evaluation mechanisms with specific and realistic objectives and indicators related to capacity-building outcomes and, to that end, may wish to encourage all United Nations system organizations to place stronger emphasis on participatory evaluation of their activities, both as a learning process and as a capacity-building process in itself.**

Notes

[1] See "Capacity development: an analysis and synthesis of its current conceptualization and implications for practice", background document for a joint United Nations Development Programme (UNDP)-United Nations Children's Fund (UNICEF) workshop on planning and monitoring of capacity development, Harare, 1-5 November 1999.

[2] Thus, the administrative heritage of a country, the state of the economy or the general level of social capital could have a profound effect on the progress of capacity-building. Many organizations in the public sector, for example, had never achieved any sense of legitimacy given their colonial origins. A sense of instability and fragility permeated much of the public sector. Capacity-building frequently took place in an atmosphere of political struggle, with protagonists trying to control the very organizations, such as the courts or certain line agencies, that international funding organizations were trying to assist. External interventions had to be much more attuned to the constraints and opportunities presented by the broader context. See Peter Morgan "Some observations and lessons on capacity-building" in *Capacity-Building Supported by the United Nations: Some Evaluations and Some Lessons*, R. Maconick and P. Morgan, eds. (United Nations publication, Sales No. 99.II.A.4).

[3] A typical example that proves such adaptation of capacity-building efforts over time is the support of the United Nations system to the development of telecommunications in Brazil, which proved the point. See Maconick and Morgan, op. cit., chap. 3.

[4] See R. Revans, *Action Learning: New Techniques for Management* (London, Blond and Briggs, 1980).

[5] A social system learns whenever it acquires new capacity for behaviour, and learning may take the form of undirected interaction between systems. Government as a learning system carries with it the idea of public learning, a special way of acquiring new capacity for behaviour, in which government learns for the society as a whole. In public learning, government undertakes a continuing, directed inquiry into the nature, causes and resolution of our problems. The need for public learning carries with it the need for a second kind of learning. If government is to learn to solve new public problems, it must also learn to create the systems for so doing and discard the structure and mechanisms that have grown up around old problems. See Donald Schon, *Beyond the Stable State* (Harmondsworth, Penguin, 1973).

[6] Examples include all the new capacities required of a country that wishes to access the World Trade Organization (WTO), particularly the infrastructure needed to ensure that exports meet international standards. Similarly, new problems like AIDS require new capacities, as does new technology, particularly ICTs. Last but not least, there are the capacities implicit in accepting the need to achieve the goals included in the Millennium Declaration.

[7] A guidance note on capacity-building was approved on behalf of ACC by the Consultative Committee on Programme and Operational Questions at its sixteenth session (see ACC/2000/7, para. 4 and annex V).

[8] The guidance note on capacity-building was inspired by the provisions of paragraphs 13-18 of Economic and Social Council resolution 1999/5 on poverty eradication and capacity-building.

[9] The assessment requested by the General Assembly in paragraph 56 of its resolution 56/201 about the extent to which United Nations system organizations at the field level learn lessons from their evaluations, to be submitted to the Economic and Social Council in the year 2003, will be an opportunity to make some progress in that direction.

[10] See S. Fukuda-Parr et al., eds., *Capacity for Development: New Solutions to Old Problems* (UNDP, 2002). The book reviews UNDP's past experience in capacity-building and activities, addressing it systematically in the context of future technical cooperation.

[11] That view was confirmed at least in one of the recent impact evaluations on capacity-building for the triennial review.

[12] The UNDP Administrator was designated by the Secretary-General as chair of the UNDG, to serve as the "campaign manager" for progress towards achieving those goals at the country level. See remarks of the UNDP Administrator to a joint meeting of the executive boards of the funds and programmes, February 2002.

[13] See Devendra Raj Panday, "Technical cooperation and institutional capacity-building for development: back to the basics", in Fukuda et al., op. cit.

Annex

Efforts of United Nations system entities in the area of capacity-building

United Nations

Office of the United Nations High Commissioner for Refugees

1. A capacity-building working group set up in 1998 defined the organization's role in capacity-building. A practical guide to capacity-building as a feature of UNHCR's humanitarian programmes was then issued to clarify and refine related strategi0es. Global consultations on international protection held in September 2001 emphasized capacity-building as a means to strengthen protection capacities in host countries by creating national protection structures through networking with partners via a participatory approach, technical support, training, advisory services, specialized expertise, financial and material assistance.

Regional commissions

2. Capacity-building has been a central task of the programmes of the regional commissions, developing an array of tools from technical assistance to training and regional advisory services. Regional advisers focus on policy, management and technical challenges when no specialized expertise is available at the country level. Regional efforts concentrate on capacity to formulate and implement policies and programmes for poverty reduction and growth at the regional, national and community levels. The focus of technical assistance/capacity-building varies between regional commissions according to regional priorities. They include telecommunications, data processing, energy, environment, industrial development, national accounts, social development, technology, transport, water resources and trade, science and technology development. The key objective is to assist in building capacity for regional integration.

Department of Economic and Social Affairs

3. The operational arm of the Department provides policy advisory services and technical assistance to strengthen the national capacities of developing countries in the areas of gender, sustainable development, governance and public administration, population, social and economic policy, and statistics, particularly for the preparation of and follow-up to the major United Nations major summits and conferences. Operational activities of the Department complement its normative and analytical activities in support of national capacity-building efforts, which address human resource development, managerial and information systems as well as institution-building. A 2001 study on globalization and the state explored the implications for national capacity and capacity needs of the effects of globalization on the role, functions and performance of the state. Capacity-building activities are carried out in all regions, in close coordination with other United Nations system activities at the country and regional levels. An external evaluation commissioned in 2002 to review a selection of operational activities of the Department, aimed at capacity-building for sustainable development documented concrete contributions to capacity-building and recommended more cross-fertilization between normative/analytical work and operational activities.

United Nations Institute for Training and Research

4. UNITAR designs and conducts a variety of capacity-building programmes at the country and regional levels in over five continents under 11 main clusters: international affairs management; peacemaking and preventive diplomacy; various aspects of peacekeeping, environmental law; chemical and waste management; climate change; information systems for sustainable development; decentralized cooperation; international migration; debt and financial management; and foreign economic relations. Drawing from 20 years of field training experience, lessons learned and links both with national government ministries/departments and national training institutions, UNITAR is currently seeking to develop training services that fully address recipient countries needs and priorities and contribute to national strategy development, policy-making and task performance.

United Nations Staff College

5. The Staff College programme on capacity-building for development aims specifically to enhance capacity to manage development at the national level. In particular, it focuses on inter-organizational coordination, decentralized management, team management, result-based or performance management, strategic management, policy analysis and implementation, project planning, design and implementation, monitoring and evaluation, and poverty reduction strategies.

United Nations funds and programmes

United Nations Development Programme

6. UNDP entered into a strategic partnership (the capacity development initiative) with the Global Environmental Facility (GEF) to produce a comprehensive approach for developing national capacities to meet global environmental management objectives. The initiative mobilizes more than 45 national, regional and global capacity development experts to carry out studies of capacity-building needs and extensive consultations. The findings contributed to develop a collaborative approach to capacity-building. Significant capacity-building efforts are carried out also in the areas of governance, poverty eradication and gender. UNDP is very active in providing national capacity-building support in the areas of policy development, legal frameworks, institutions, and indicators and methodologies. In early 2001, UNDP launched an initiative which reviews capacity development fundamentals and focuses on ways for external cooperation to best contribute to develop lasting indigenous capacities. Several focus studies, round tables, and electronic discussions have been held under the initiative. It is expected to produce three books on the findings and a capacity database containing hundreds of key web-based resources on capacity development.

United Nations Environmental Programme

7. Capacity-building and its sustainability are explicitly goals of UNEP technical assistance, reinforced by UNEP Governing Council decisions since 1998. Strengthening national capacities for priority setting and ownership are the main objectives of capacity-building efforts in human resource development and institution-building. Instruments include strengthening organizational and technical skills, advisory services, technical assistance and training programmes, sharing of information and best practices, networking, training programmes, development and testing of environmental management instruments, and promotion of public participation in environmental management. Programmes areas with capacity-building focus range from environmental assessment and early warning to environmental law and policy development and implementation, and from regional cooperation and representation to capacity development in specific regions.

United Nations Children's Fund

8. Since 1992, UNICEF operational strategies have supported service delivery, capacity-building, advocacy and empowerment. In recent years, UNICEF has improved its support to national capacity-building in two main areas: in defining capacity-building itself, and in shifting from project-level initiatives to a broader approach, involving capacity-building for situation analysis and programme development. The right-based approach to programming was adopted in 1998 and integrated into the UNICEF programme guidance system in January 2000. The situation analysis and its preparation are the main contribution to building national capacity. Progress on developing human and child indicators is evidence of increased countries capacity.

United Nations Population Fund

9. Capacity-building has always been a crucial aspect of the UNFPA programming and management. UNFPA focuses on capacity to integrate reproductive health, population and gender into policy-making and planning, and to effectively design and implement reproductive health programmes. It prioritizes capacity-building in the context of national execution and ownership. UNFPA has worked to improve the quality of reproductive health services and environment at all levels and developed appropriate tools, such as the geo-referenced information systems for planners, research institutes and statistical and information systems to monitor and analyse population trends in the broader development context. Sustainable capacity-building, in terms of organizational and technical skills, processes, systems and legislative framework, should aim to shape collective and

individual behaviour, performance and willingness to learn and adapt to change. Future efforts will focus on changing the national and regional behaviour, relationships and activities of the people, groups and organizations concerned.

World Food Programme

10. WFP is engaged in a variety of capacity-building activities with both Governments and NGO partners. WFP actively participates in policy dialogue and advocacy with government counterparts through the United Nations country teams, and through its membership in food aid advisory committees assists Governments in setting up national vulnerability analysis and mapping systems and strengthens early warning systems and contingency planning. WFP holds consultations with its major NGO counterparts on operational and partnership issues, and provides training in food logistics, targeting and accounting.

United Nations Drug Control Programme

11. Capacity-building is an essential component of all UNDCP programmes. The main tools used by UNDCP are monitoring and data collection, assessment, training, and development and dissemination of tool kits on best practices.

Specialized agencies and Bretton Woods institutions

Food and Agriculture Organization of the United Nations

12. Capacity-building is one of the central priorities of the FAO strategic framework for 2000-2015. In order to mainstream capacity-building, FAO is developing a corporate and cost-effective approach to training, the creation of a database on good practices, and the setting up of a roster of training expertise within FAO and outside, with a web site on training to share experience between headquarters and field teams.

International Fund for Agricultural Development

13. Building the individual and collective capacities of the rural poor and their organizations is one of the objectives of the IFAD strategic framework for 2002-2003. Most projects emphasize stakeholder participation, institutional support and capacity-building at different levels (beneficiary and local organizations, project management and implementing agencies). Group promotion is central (e.g., user, producer, village and economic interest groups) as well as the sustainability of achievements through continuous support. The focus is on local institutional strengthening linked to rural development and the establishment of associations, their legal frameworks and their responsibility to operate, maintain and manage tertiary systems. Approaches vary according to regions and local contexts. Institutional strengthening is a key element of rangeland projects, focused on improving service delivery of existing institutions, empowerment of local groups through participation and sustainable use of range resources. Training is a key means to strengthen local management, accounting and income-generating capacity.

International Civil Aviation Organization

14. ICAO supports Governments' capacity-building efforts through 58 country technical cooperation projects and four regional projects. The focus areas of the projects include feasibility studies for the establishment of autonomous civil aviation authorities and aviation security plans, preparation of civil aviation master plans and training of civil aviation personnel.

International Labour Organization

15. Capacity-building is an integral part both of thematic (i.e., child labour, international migration, social protection, workers' activities and equality and employment) and regional programmes. In particular, the International Programme on the Elimination of Child Labour is present in 75 countries of three regions — Africa, Asia and Latin America — and aims to strengthen national capacity on legislation reform, the formulation of national action and budget plans, and building a knowledge base on child labour. Some 34 countries have already received capacity-building support on data collection and analysis on child labour, while networking potential between public and private institutions are being considered as instruments contributing to the elimination of child labour. The ILO strategies and tools against social exclusion and poverty programme, which makes use of participatory technical cooperation projects, database, case studies,

training and networking mechanisms, is another example of long-term capacity-building.

International Maritime Organization

16. IMO's integrated technical cooperation Programme helps to enhance the capacity of developing countries to comply with international rules and standards regarding maritime safety and security and the prevention and control of marine pollution. Those initiatives are enhanced by the technical cooperation among developing countries network and regional collaboration efforts in all maritime matters.

International Telecommunication Union

17. The Valetta action plan for the development sector (1998-2002) includes capacity-building in all its programmes, and also invests resources and staff in a dedicated capacity-building programme. Blending the use of information technologies with traditional training methodologies has been the primary strategy, which has achieved considerable improvement in terms of reaching a larger target population at a lower cost, delivering training to the actual workplace and promoting training development attitudes.

United Nations Educational, Scientific and Cultural Organization

18. The new medium-term strategy for 2002-2007 explicitly refers to capacity-building as one of the organization's strategic functions. Through decentralization, reform and inter-agency collaboration in the context of the common country assessment/UNDAF and the country development framework, UNESCO now has a stronger country-level presence, ensuring broader participation of national Governments and other stakeholders in its programmes. UNESCO formed extensive network of partners for capacity-building, including UNESCO clubs, centres and associations, which number 5,000 in 120 countries.

United Nations Industrial Development Organization

19. UNIDO has used capacity-building as a methodology to develop a new operational mechanism, which is an integrated programme approach based on 16 service modules. UNIDO has developed 44 integrated programmes, worth more than US$ 250 million, in 40 States. Those integrated programmes address industrial development through capacity-building by improving industrial governance and institutional infrastructure, strengthening small and medium-sized enterprises, upgrading technological capacities, and enhancing skills and access to modern technology.

World Health Organization

20. WHO technical cooperation programmes contain components aimed at strengthening capacity for health-care providers (through training), senior policy makers and health managers, and capacity in health systems research and management of health systems (including the launch of *Health InterNetwork*). An important initiative is the development of the WHO framework for assessing health system performance, in collaboration with member States, to empower the public with reliable information for policy and system development.

World Intellectual Property Organization

21. WIPO has a big capacity-building programme which assists developing countries in preparing intellectual property laws, maintaining good infrastructure, building lasting institutions and establishing innovation support service to promote entrepreneurship. Approaches that are utilized include direct technical assistance, training and policy forums and nationally focused action plans, which are established between national Governments and WIPO and aim to achieve efficient management and use of the national intellectual property system. In 2001, work was carried out on 55 action plans.

World Meteorological Organization

22. Support for capacity-building is realized through eight scientific and technical programmes. The educational and training programme is geared towards capacity-building to meet the needs of developing countries for trained personnel in the meteorological and hydrological services. An effective tool is the global network of WMO regional meteorological training centres, which consists of 23 centres around the world. In the period 1998-2001, WMO organized 90 training events and co-sponsored another 95.

Universal Postal Union

23. Technical assistance is an essential part of the UPU mandate, reiterated by Universal Postal Congress resolutions on technical cooperation, including the 1999 Beijing postal strategy, and focuses on national, regional and interregional projects in 49 priority countries, mostly least developed countries and countries in emergency situations, for which a fund was created to finance service quality improvement projects. UPU capacity-building aims to ensure universal postal service, a high-quality international service taking advantage of technological, economic, and regulatory changes in the sector. In April 2000, UPU and the World Bank agreed on strategies, objectives and cooperation modalities for their collaboration on projects related to the reform of the postal sector.

International Monetary Fund

24. Capacity-building is an important element in IMF technical assistance, which focuses on fiscal affairs, monetary and financial affairs, and macroeconomic and financial statistics. In response to the ACC guidance note on capacity-building, IMF has strengthened several areas, such as national ownership, coordination and partnership with other development agencies and civil society organizations, and a strengthened programme approach. In 1999, IMF initiated broad-based medium-term technical cooperation action plans across the entire range of IMF expertise to address the capacity-building needs of countries. Two similar regional technical assistance centres are to be launched in Africa later in 2002.

World Bank

25. Poverty is at the centre of the World Bank capacity-building effort (see *World Development Report 2000/2001*). The poverty reduction strategy papers, as a major tool to define countries development agendas, has created additional needs for capacity-building. The World Bank Institute created the attacking poverty programme to support the poverty reduction strategy papers process and help poor countries build capacity to design and implement effective poverty reduction strategies. Supportive initiatives to the poverty reduction strategy papers aim to energize policy debate on poverty agendas; enhance interaction between national poverty reduction strategy papers teams; enable practitioners to exchange knowledge on best practices; increase skills for poverty assessment and analysis; and build capacity both of local and regional institutions. The Institute has developed customized country-learning programmes for knowledge management and capacity-building, leveraging development community resources to fight poverty. Capacity-building efforts to strengthen the monitoring and evaluation capacities of borrowing countries are also in place, using a variety of tools (score-keeping, beneficiary surveys, sector reviews and performance auditing) which aim to build capacity to define project/programme objectives and outcomes, and basic database collection for programme/project monitoring and evaluation.

Related organizations

International Atomic Energy Agency

26. IAEA's technical cooperation programmes focus almost entirely on capacity-building through the development of human resources and provision of crucial equipment (40 per cent). Capacity-building has been incorporated in its subprogrammes on food and agriculture, human health, water resources, protection of the marine and terrestrial environment, nuclear power and fuel cycles. Various analytical tools are developed to strengthen the capacity of developing countries in the areas of energy environment planning and analysis.

World Tourism Organization

27. Capacity-building is explicitly emphasized in WTO's new mission statement and reflected in all nine sections of its general programme of work for 2002-2003.